



**Accommodation
Association
of Australia**

“Should Queensland maintain or terminate the referral of industrial relations jurisdiction for the unincorporated private sector to the Commonwealth?”

Submission of the Accommodation Association of Australia

EXECUTIVE SUMMARY

1. This submission is a response to the Queensland Government's Issues Paper "*Should Queensland maintain or terminate the referral of industrial relations jurisdiction for the unincorporated private sector to the Commonwealth?*"
2. The Issues Paper asks the following question:
What do you consider would be the most appropriate arrangements for the on-going regulation of industrial relations for the unincorporated private sector in Queensland, and in particular, should Queensland maintain or terminate its referral of industrial relations jurisdiction for the unincorporated private sector to the Commonwealth?
3. The Accommodation Association of Australia's (the Association's) preferred position is to defer the referral of power review until after the Federal election and until the changes emanating from the reviews of the *Fair Work Act* and the modern awards have been implemented.
4. Should the changes not deliver adequate improvements for the needs of small business, the Association will recommend the termination of the referral of powers and will propose the implementation of truly simple system that delivers flexibility and enhanced employment opportunities.
5. The Association is not in favour of an absolute return to the State industrial relations system.

INTRODUCTION

6. The Association is pleased to provide the following submission and appreciates the opportunity to contribute to the discussion.
7. This submission represents the views, needs and concerns of the Association's small unincorporated businesses in Queensland.
8. The Association agrees that the Federal Fair Work system fails to deliver adequate flexibility to business generally and is particularly onerous for small and micro businesses. The Association acknowledges that urgent correction is needed but prefers pursuing amendments in the federal legislation to terminating the referral.

ABOUT THE ACCOMMODATION ASSOCIATION

9. The Accommodation Association is the national industry body for the Australian accommodation industry. The number of Queensland members is second only to NSW.
10. Formerly *HMAA* and the *Queensland Motel Employers' Association, Industrial Organisation of Employers*, the Association has been the leading industry body for the Accommodation sector in Queensland since the early 1960s.
11. Members of the Accommodation Association include major hotels, resorts, motels, motor inns, serviced and holiday apartments, bed and breakfasts, guesthouses, backpackers and timeshare establishments in metropolitan, regional and rural Australia across all states and territories.
12. The Association's membership base includes almost 2000 properties and more than 110,000 guest rooms.

ISSUES CONSIDERED IN THIS SUBMISSION

“Should Queensland maintain or terminate the referral of industrial relations jurisdiction for the unincorporated private sector to the Commonwealth?”

13. While the Association acknowledges that the Federal industrial relations system does not provide favourable conditions for small businesses, its preference is to remain in the Federal system and pursue amendments in the federal legislation.
14. The Association is opposed to an absolute return to the former State industrial relations system. While the former system may have some benefits for small businesses, there are also disadvantages. In the opinion of the Association, the former State system is not substantially (or not at all) easier to understand and apply. The former awards that covered the Accommodation industry are in general, less flexible, more restrictive and complex than the modern award.
15. The Association submits that a reversal to the former system will only lead to further confusion and expense for small business.
16. After the forthcoming Federal election, there will certainly be changes in the industrial relations arena. Further changes will also emanate from the reviews of the *Fair Work Act* and the modern awards.
17. The Association submits that the discussion and consideration of the proposition to maintain or terminate the referral of powers may be more appropriate after the impending changes have been implemented and the ramifications known.

“What do you consider would be the most appropriate arrangements for the on-going regulation of industrial relations for the unincorporated private sector in Queensland”

18. Should the changes not deliver adequate improvements for the needs of small business, the Association will recommend the termination of the referral of powers and will propose the implementation of a truly simple generic system that delivers flexibility and enhanced employment opportunities.
19. A preliminary possibility of how this system is to be structured is as follows.
20. The system, however delivered, would be limited to five legislated minimum standards, being 1) minimum wages, 2) annual/personal/parental leave, 3) when ordinary hours of work may be worked, commensurate with the type of business and customary trading hours, 4) the hours of work of a full-time employee to be 38 per week to be averaged over a 52 week period, and 5) penalty rates and overtime for work performed out of ordinary hours. Penalty rates are not to be cumulative.
21. In addition to the minimum standards, the system will provide for individual work agreements, and realistic protections from unfair dismissals.

CONCLUSION

22. The Accommodation Association submits that the above recommendations will go a long way towards improving productivity and efficiency in the accommodation sector, as well as the broader tourism industry.